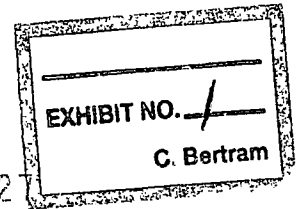


THOMAS M. McELROY RECEIVED
PROFESSIONAL ASSOCIATION
ATTORNEY AT LAW
301 NORTH BROADWAY
POST OFFICE BOX 1450
TUPELO, MISSISSIPPI 38802-1450



2004 JUL 30 PM 3:27

TO A. DOCKET ROOM

TEL (662) 842-3723

e-mail McElroyTup@aol.com

FAX (662) 842-3744

July 30, 2004

Mr. Pat Miller
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Counce Natural Gas Company/Rate Increase
Cause No. 04-00037

Dear Mr. Miller:

Please find enclosed the original Proof of Publication and thirteen copies which I request that you file in the above cause.

If all is not in order, please advise.

Sincerely,

A handwritten signature in black ink, appearing to be "T. McElroy".

Thomas M. McElroy

lnl

LEGAL NOTICE

Notice is hereby given that Counce Natural Gas Corporation, a Tennessee Corporation (the Company) filed with the Tennessee Regulatory Authority (the Authority) on February 4, 2004, a Petition, in Docket No. 04-00037, and an Amended Petition filed July 7, 2004, proposing to change certain natural gas rates now in effect as soon as it can be lawfully done. The proposed changes will apply to all customers now being served or who might be served in the future. Notice is given that the rates as filed are rates proposed by the Company and the Authority may in some or all instances adopt, reject, increase or decrease said proposed rates in part or in whole. Revised rate schedules supporting said application are now on file with the Authority and are available for public inspection. The current rates at the time of the filing and the proposed monthly rates are as follows:

CURRENT RATES

Per MCF

Residential:		Residential:	
Customer Charge/Mo	\$ 5.00	Customer Charge/Mo	\$ 10.00
Usage Charge	\$ 2.13	Usage Charge	\$ 2.95
Commercial:		Commercial:	
Customer Charge/Mo	\$ 10.00	Customer Charge/Mo	\$ 20.00
Usage Charge	\$ 2.13	Usage Charge	\$ 2.95
Industrial:		Industrial:	
Customer Charge/Mo	\$ 250.00	Customer Charge/Mo	\$ 300.00
Usage Charge	\$ 2.13	Usage Charge	\$ 2.95

PROPOSED RATES

Per MCF

Residential:		Residential:	
Customer Charge/Mo	\$ 10.00	Customer Charge/Mo	\$ 10.00
Usage Charge	\$ 2.95	Usage Charge	\$ 2.95
Commercial:		Commercial:	
Customer Charge/Mo	\$ 20.00	Customer Charge/Mo	\$ 20.00
Usage Charge	\$ 2.95	Usage Charge	\$ 2.95
Industrial:		Industrial:	
Customer Charge/Mo	\$ 300.00	Customer Charge/Mo	\$ 300.00
Usage Charge	\$ 2.95	Usage Charge	\$ 2.95

The Company has requested this change in rate schedules in order to provide the funds necessary to enable it to earn a fair and adequate rate of return, prevent impairment of its credit, meet the obligations of its customers, employees and creditors, and to preserve its property. This matter will be heard before the Tennessee Regulatory Authority at 9:00 a.m. on Friday, July 30, 2004, in the Hearing Room, 460 James Robertson Parkway, Nashville, Tennessee. This notice is pursuant to Commission Rule 1220-4-1-05.

Michael D. Horton

President - Counce Natural Gas Corporation

PUBLISHERS CERTIFICATE STATE OF TENNESSEE, Hardin County

I, James Thompson, Editor of The Courier, made oath in the due form that the notice hereto attached in the case of

Counce Natural Gas Corporation
Notice & petition filed to change
Natural Gas Rates - Docket No. 04-00037
Tennessee Regulatory Authority
has been published in said paper for two (2)

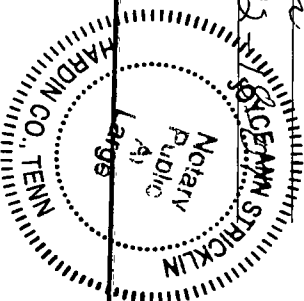
consecutive weeks, as required by law, beginning on the

15th day of July, 2004 and ending
on the 22nd day of July, 2004

Sworn to and subscribed before me this 28th
day of July, 2004

James Thompson
My Commission Expires 12-31-2004

Publisher's fee \$ 108.00



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Usage Charge	\$ 2.13	Usage Charge	\$ 2.95
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Michael D. Horton

President - Counce Natural Gas Corporation

PUBLISHERS CERTIFICATE STATE OF TENNESSEE, Hardin County

I, John Thompson, Editor of The Courier, made oath in the due form that the notice hereto attached in the case of Counce Natural Gas Corporation Notice & Petition filed to change Natural Gas Rates - Docket No. 04-00037 Tennessee Regulatory Authority has been published in said paper for two (2)

consecutive weeks, as required by law, beginning on the

15th day of July, 2004 and ending on the 22nd day of July, 2004

Sworn to and subscribed before me this

day of July, 2004

Michael D. Horton

My Commission Expires 12/31/2004

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